



September 16, 2019

Honorable Mayor Jenny Durkan
600 4th Ave Floor 7
Seattle, WA 98104

Mayor Durkan:

After several weeks of dialogue with your office, we had hoped to achieve a solution to the topics you have expressed: a need for increased housing and transportation resources in Seattle and expanded economic support for rideshare drivers.

Lyft shares your concerns about the increasing challenge of affordability in Seattle. After housing, transportation costs are the second-largest household expense for most families. We believe that added taxes on rideshare penalizes the very groups you are seeking to help. More than 50% of Seattle Lyft passengers are starting or ending their transportation in low income areas. Many of these passengers are going to work, to job training and to school. We believe that added regressive taxes on TNC rides will most affect these families.

Our drivers reflect the great diversity of Seattle, economically and otherwise. Most of them use our platform to supplement income from their primary work, earning on average well over \$20 per hour. Over the past two years Lyft driver earnings have increased by 8%, but if the tax results in a reduction in rides, these drivers will feel that reduction in fewer passengers, fewer rides and less income. That said, we have engaged your office in dialogue because we have hoped that further discussion of these impacts might result in a balanced approach. We supported a modest tax increase to support this objective. We now understand that you intend to pursue a policy that otherwise compromises this balance, and if so, we will need to oppose it.

There remain unexplored alternatives that would cost us but that serve the larger objectives you have discussed. Universal congestion pricing, for example, would be a more equitable alternative, comprehensive approach that would effectively reduce traffic, pay for more transportation options like transit and housing. We have long supported this and remain a willing partner to participate.

Aside from the tax issue, we believe important progress had been made on our conversation around expanding economic protections for drivers. Ninety-six percent (96%) of our drivers tell us the flexibility, freedom and control they possess as independent contractors is important to them. It allows them to work when, how and where they choose. We have been eager to work with you to find a way to protect this flexibility while doing more to enhance the driving experience - including establishing a driver earnings guarantee. The guarantee would ensure all

Seattle drivers earn above Seattle's \$16 local minimum wage plus expense reimbursement. Drivers would continue to have the opportunity to earn well beyond that, and as always, 100% of rider tips will go to drivers on top of the guarantee. By placing a floor on our drivers' earnings and reinforcing the legal certainty under which they provide services to passengers, we have a chance to do something important not only for Seattle but for the country.

Millions of people in Seattle depend on Lyft for transportation, and we are committed to supporting them. As new rideshare legislation is contemplated, we hope you and the City Council recognize the importance of establishing policies that serve the stated objectives and do not run counter to them such that we need to oppose.

Notwithstanding the above, we remain committed to working with you on a reasonable approach to resolve the issues you have raised. We hope the diverse perspectives of drivers and passengers are considered as you move forward.

Sincerely,

A handwritten signature in black ink, appearing to read "Prashanthi Rao Raman".

Prashanthi Rao Raman
Director of Public Policy